

Additional NTAP Program Information

NTAP is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined as an individual or group of individuals who live together at the same address and share income and expenses. NTAP is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

Pierce Telephone Company, Inc.

Progress Report of 5 Year Plan – Milestone Certification

To be in compliance with the Milestone Certification of providing upon a reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps upstream:

- Pierce Telephone Company certifies that it has taken reasonable steps to provide upon a reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps upstream with latency suitable for real-time applications, including Voice over Internet Protocol.
- The Company provides usage capacity that is reasonably comparable to comparable offerings in urban areas.
- The Company certifies that requests for such service are met within a reasonable amount of time.

Pierce Telephone Company, Inc.

Progress Report on 5 Year Plan – Community Anchor Institutions

Pierce Telephone Company does not have any newly served community anchor institutions because all anchor institutions had broadband service available to them prior to 2014.

Received & Inspected

JUN 29 2015

FCC Mail Room

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Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S. W.
Washington, DC 20554

Administrator
Universal Service Administrative Company
2000 L Street, N. W., Suite 200
Washington, DC 20036

RE: WC Docket No. 10-90 – Section 54.313(f)(2)
Pierce Telephone Company, Incorporated (SAC 371581)

I certify that Pierce Telephone Company, Incorporated is not audited in the ordinary course of business.
I also certify that the reported data included in the attached financials have been reviewed and
prepared by DA&E, Certified Public Accountants, is accurate.

Certification Signature:

Mary J. Bichlmeier

Name:

Mary J Bichlmeier

Title:

Company Accountant/Assistant Treasurer

Date:

June 3, 2015

REDACTED - FOR PUBLIC INSPECTION

PIERCE TELEPHONE COMPANY, INCORPORATED

Financial Statements and Schedule

Years Ended December 31, 2014 and 2013

(With Independent Accountant's Review Report Thereon)

PIERCE TELEPHONE COMPANY, INCORPORATED

Index to Financial Statements and Schedule

Years Ended December 31, 2014 and 2013

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
Pierce Telephone Company, Incorporated:

We have reviewed the accompanying balance sheets of Pierce Telephone Company, Incorporated as of December 31, 2014 and 2013, and the related statements of operations, stockholder's equity, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Dohman, Akerlund + Eddy, LLC

April 1, 2015

PIERCE TELEPHONE COMPANY, INCORPORATED

Balance Sheets

December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and cash equivalents, including construction funds of [REDACTED] in 2014 and [REDACTED] in 2013	\$ [REDACTED]	[REDACTED]
Due from subscribers and agents	[REDACTED]	[REDACTED]
Inventory, at cost	[REDACTED]	[REDACTED]
Prepaid expenses	[REDACTED]	[REDACTED]
Total current assets	[REDACTED]	[REDACTED]
Other assets:		
Due from affiliated companies, net	[REDACTED]	[REDACTED]
Other investment	[REDACTED]	[REDACTED]
Miscellaneous physical property	[REDACTED]	[REDACTED]
Less accumulated depreciation	[REDACTED]	[REDACTED]
Net miscellaneous physical property	[REDACTED]	[REDACTED]
Total other assets	[REDACTED]	[REDACTED]
Property and equipment, at cost	[REDACTED]	[REDACTED]
Less accumulated depreciation	[REDACTED]	[REDACTED]
Net property and equipment	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]

See accompanying notes to financial statements.

<u>Liabilities and Stockholder's Equity</u>	<u>2014</u>	<u>2013</u>
Current liabilities:		
Accounts payable	\$ [REDACTED]	[REDACTED]
Due to affiliated companies	[REDACTED]	[REDACTED]
Accrued expenses	[REDACTED]	[REDACTED]
Customer deposits	[REDACTED]	[REDACTED]
Advance billings and payments	[REDACTED]	[REDACTED]
Total current liabilities	[REDACTED]	[REDACTED]
Stockholder's equity:		
Common stock of [REDACTED] par value		
per share, authorized [REDACTED] shares;	[REDACTED]	[REDACTED]
issued and outstanding [REDACTED] shares	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]
Total stockholder's equity	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]

PIERCE TELEPHONE COMPANY, INCORPORATED

Statements of Operations

Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenues:		
Local service	\$ [REDACTED]	[REDACTED]
Toll service and access charges	[REDACTED]	[REDACTED]
Billing and collection revenue	[REDACTED]	[REDACTED]
Directory advertising and other revenue	[REDACTED]	[REDACTED]
Total operating revenues	[REDACTED]	[REDACTED]
Operating expenses:		
Plant specific operations	[REDACTED]	[REDACTED]
Plant nonspecific operations	[REDACTED]	[REDACTED]
Depreciation	[REDACTED]	[REDACTED]
Customer operations	[REDACTED]	[REDACTED]
Corporate operations	[REDACTED]	[REDACTED]
Total operating expenses	[REDACTED]	[REDACTED]
Operating loss	[REDACTED]	[REDACTED]
Operating taxes, other	[REDACTED]	[REDACTED]
Net operating loss	[REDACTED]	[REDACTED]
Nonoperating income (deductions):		
Investment income	[REDACTED]	[REDACTED]
Net deregulated income, including depreciation expense of [REDACTED] in 2014 and [REDACTED] in 2013	[REDACTED]	[REDACTED]
Special charges, contributions	[REDACTED]	[REDACTED]
Valuation allowance expense	[REDACTED]	[REDACTED]
Total nonoperating deductions, net	[REDACTED]	[REDACTED]
Loss prior to fixed charges	[REDACTED]	[REDACTED]
Fixed charges, other interest	[REDACTED]	[REDACTED]
Net losses	\$ [REDACTED]	[REDACTED]

See accompanying notes to financial statements.

PIERCE TELEPHONE COMPANY, INCORPORATED

Statements of Stockholder's Equity

Years Ended December 31, 2014 and 2013

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
Balances at December 31, 2012	\$ [REDACTED]	[REDACTED]	[REDACTED]
Net losses	[REDACTED]	[REDACTED]	[REDACTED]
Balances at December 31, 2013	[REDACTED]	[REDACTED]	[REDACTED]
Net losses	[REDACTED]	[REDACTED]	[REDACTED]
Balances at December 31, 2014	\$ [REDACTED]	[REDACTED]	[REDACTED]

See accompanying notes to financial statements.

PIERCE TELEPHONE COMPANY, INCORPORATED

Statements of Cash Flows

Years Ended December 31, 2014 and 2013

<u>Increase or Decrease in Cash and Cash Equivalents</u>	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Cash received from subscribers and agents	\$ [REDACTED]	[REDACTED]
Cash paid to suppliers and employees	[REDACTED]	[REDACTED]
Investment income received	[REDACTED]	[REDACTED]
Interest paid	[REDACTED]	[REDACTED]
Net cash provided by operating activities	[REDACTED]	[REDACTED]
Cash flows from investing activities:		
Expenditures for miscellaneous physical property	[REDACTED]	[REDACTED]
Expenditures for property and equipment	[REDACTED]	[REDACTED]
Net receipts from (payments to) affiliated companies	[REDACTED]	[REDACTED]
Net cash used by investing activities	[REDACTED]	[REDACTED]
Net increase (decrease) in cash and cash equivalents	[REDACTED]	[REDACTED]
Cash and cash equivalents at beginning of year	[REDACTED]	[REDACTED]
Cash and cash equivalents at end of year	\$ [REDACTED]	[REDACTED]

(Continued)

PIERCE TELEPHONE COMPANY, INCORPORATED

Statements of Cash Flows
(Continued)
Years Ended December 31, 2014 and 2013

<u>Reconciliation of Net Losses to Net Cash Provided by Operating Activities</u>	<u>2014</u>	<u>2013</u>
Net losses	\$ [REDACTED]	[REDACTED]
Adjustments to reconcile net losses to net cash provided by operating activities:		
Depreciation of property and equipment	[REDACTED]	[REDACTED]
Depreciation of miscellaneous physical property	[REDACTED]	[REDACTED]
Valuation allowance expense	[REDACTED]	[REDACTED]
Non-cash patronage dividends	[REDACTED]	[REDACTED]
Decrease (increase) in:		
Due from subscribers and agents	[REDACTED]	[REDACTED]
Inventory	[REDACTED]	[REDACTED]
Prepaid expenses	[REDACTED]	[REDACTED]
Increase (decrease) in:		
Accounts payable	[REDACTED]	[REDACTED]
Accrued expenses	[REDACTED]	[REDACTED]
Customer deposits	[REDACTED]	[REDACTED]
Advance billings and payments	[REDACTED]	[REDACTED]
Total adjustments	[REDACTED]	[REDACTED]
Net cash provided by operating activities	\$ [REDACTED]	[REDACTED]

Supplemental Disclosures of Cash Flows Information

Included in accounts payable was [REDACTED] and [REDACTED] for the purchase of property and equipment as of December 31, 2014 and 2013, respectively.

Proceeds from sale of property and equipment of [REDACTED] are located in due from affiliates at December 31, 2013.

See accompanying notes to financial statements.

PIERCE TELEPHONE COMPANY, INCORPORATED

Notes to Financial Statements

December 31, 2014 and 2013

(1) Summary of Significant Accounting Policies

General

Pierce Telephone Company, Incorporated (the Company) is a wholly-owned subsidiary of Pierce Telecommunications, Inc. (Pierce), a holding company headquartered in Pierce, Nebraska. The Company is also affiliated with Pierce's wholly-owned subsidiary, Sapius, Inc. (SAP), which is an investment holding company. Additionally, the Company is affiliated with Fogle Enterprises, LLC (Fogle), Nebraska Long Distance, LLC (NLD), and PBN, LLC (PBN) through common ownership by Pierce. Fogle maintained an investment in a wireless phone system venture and currently has no operations, while NLD is an operating company which provides long distance telephone and communication services. PBN provides ETS ethernet transport and internet services. The Company provides telephone services to two exchanges in northeastern Nebraska and maintains its accounting records in accordance with the rules and regulations of the Nebraska Public Service Commission and utilizes the Uniform System of Accounts prescribed by the Federal Communications Commission. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents and statements of cash flows

For purposes of the statements of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Additionally, advances to affiliated companies are presented on the net cash flow basis.

Due from subscribers and agents and allowance for doubtful receivables

Expenses include a provision for doubtful accounts to allow for estimated uncollectible accounts. This provision is based on past experience and on analysis of current accounts receivable collectibility. Accounts are considered delinquent based on passage of a specified period of time and consideration of payment history. Accounts deemed uncollectible are charged to the allowance in the year they are deemed uncollectible. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. No allowances were deemed necessary for 2014 or 2013.

(Continued)

PIERCE TELEPHONE COMPANY, INCORPORATED

Notes to Financial Statements

Inventory valuation

Inventories of materials and supplies are valued at the lower of cost or market. Cost is generally determined using the first-in, first-out method.

Miscellaneous physical property

Depreciation of miscellaneous physical property is computed using the straight-line method over the estimated useful life of the related asset.

Property and equipment

Maintenance and repairs of property and replacement of items determined to be less than units of property are charged to expense. Replacement and renewal of items considered to be units of property are charged to the property and equipment accounts. Most property and equipment retired or otherwise disposed of in the ordinary course of business, together with the cost of removal less salvage, is charged to accumulated depreciation. At the time of retirement or disposition of specifically identifiable units of equipment, accounts are relieved of cost and accumulated depreciation and gains or losses on the transactions are taken into income. Depreciation of property and equipment is determined using the straight-line method based on the estimated service lives. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over the fair value of the asset and long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. No asset impairments were recognized during the years ended December 31, 2014 and 2013.

Advertising and promotion costs

Advertising and promotion costs are expensed as incurred.

Revenues

Telecommunication service revenues are recognized when related services are provided.

(Continued)

PIERCE TELEPHONE COMPANY, INCORPORATED

Notes to Financial Statements

Income taxes

Effective January 1, 2000, the Company elected to be taxed under the Subchapter S provisions of the Internal Revenue Code. Under these provisions, the Company is a Qualified Subchapter S subsidiary and its parent will recognize the Company's otherwise taxable income and will then "pass through" this income to its stockholders who are ultimately responsible for any income tax liabilities that may exist. Neither the Company nor its parent incurs income tax expense on such income; however, it can be subject to an excess net passive income tax and certain recapture taxes if certain requirements are met.

The Company has adopted Financial Accounting Standards Board guidance related to accounting for any uncertainties in income taxes and required disclosures thereon. This guidance prescribes a minimum threshold a tax position is required to meet before being recognized on the financial statements. There were no unrecognized tax benefits or accruals for uncertain tax positions as of December 31, 2014 and 2013. The Company has not recognized any interest or penalties in relation to income tax filings as of or for the years ended December 31, 2014 or 2013. Additionally, the Company's status of being a Qualified Subchapter S subsidiary entity has been maintained and remains the tax position of the Company. Finally, tax years ended December 31, 2012 through 2014 all remain open (via the parent company) and are subject to potential examination by taxing jurisdictions.

Subsequent events

The Company has evaluated subsequent events through April 1, 2015, which is the date the financial statements were considered "available to be issued".

(2) Cash and Cash Equivalents

A summary of cash and cash equivalents as of December 31, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Operating cash	\$ [REDACTED]	[REDACTED]
Construction funds	[REDACTED]	[REDACTED]
Petty cash	[REDACTED]	[REDACTED]
Outstanding checks and other in-transit items	\$ [REDACTED]	[REDACTED]

(Continued)

PIERCE TELEPHONE COMPANY, INCORPORATED

Notes to Financial Statements

The Company's cash and cash equivalents at December 31, 2014 consisted of checking and money market accounts. All income associated with cash and cash equivalents is reported as nonoperating income in the statements of operations.

The Company maintains cash deposits with major banks which from time to time may exceed federally insured limits. The Company periodically assesses the financial condition of the institutions and believes the risk of any loss is minimal.

(3) Affiliated Companies and Related Party Transactions

Pierce provides employee services to the Company at scheduled rates per hour. Related cost of these services totaled [REDACTED] and [REDACTED] in 2014 and 2013, respectively, including amounts capitalized in property and equipment of [REDACTED] and [REDACTED] respectively.

Cumulative balances due to the Company at December 31, 2014 and 2013 from Pierce are as follows:

	<u>2014</u>	<u>2013</u>
Due from parent company, net	\$ [REDACTED]	[REDACTED]
Valuation allowance	\$ [REDACTED]	[REDACTED]

A valuation allowance of [REDACTED] and [REDACTED] was established as of December 31, 2014 and 2013, respectively, as resources available to Pierce were not adequate to repay the Company in full for all outstanding advances due.

Additionally, the Company had miscellaneous receivables totaling [REDACTED] and [REDACTED] due from NLD and PBN as of December 31, 2014 and 2013, respectively. Balances due to SAP, PBN, and NLD as of December 31, 2014 and 2013 totaled [REDACTED] and [REDACTED] respectively.

(Continued)

PIERCE TELEPHONE COMPANY, INCORPORATED

Notes to Financial Statements

(4) Property and Equipment

A summary of property and equipment at December 31, 2014 and 2013 follows:

	<u>2014</u>	<u>2013</u>
Work-in-progress	\$ [REDACTED]	[REDACTED]
Intangibles	[REDACTED]	[REDACTED]
Land	[REDACTED]	[REDACTED]
Motor vehicles	[REDACTED]	[REDACTED]
Other work equipment	[REDACTED]	[REDACTED]
Buildings	[REDACTED]	[REDACTED]
Furniture	[REDACTED]	[REDACTED]
Office support equipment	[REDACTED]	[REDACTED]
Company communications equipment	[REDACTED]	[REDACTED]
Computer software	[REDACTED]	[REDACTED]
General purpose computers	[REDACTED]	[REDACTED]
Digital switching	[REDACTED]	[REDACTED]
Circuit equipment	[REDACTED]	[REDACTED]
Customer premises wiring	[REDACTED]	[REDACTED]
Pole lines	[REDACTED]	[REDACTED]
Buried cable	[REDACTED]	[REDACTED]
Conduit system	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]

The composite depreciation rate was [REDACTED] in 2014 and [REDACTED] in 2013.

Depreciation expense (including non-regulated depreciation) totaled [REDACTED] and [REDACTED] during 2014 and 2013, respectively.

(5) Operating Leases

The Company leases a copy machine and postage machine under various terms requiring future payments. Rental expense under the terms of these lease agreements were [REDACTED] and [REDACTED] in 2014 and 2013, respectively.

Remaining future minimum rental payments required under the leases are as follows:

Year Ending December 31,	
2015	\$ [REDACTED]
2016	[REDACTED]
2017	[REDACTED]

(Continued)

PIERCE TELEPHONE COMPANY, INCORPORATED

Notes to Financial Statements

(6) Retained Earnings

A summary of retained earnings at December 31, 2014 and 2013 follows:

	<u>2014</u>	<u>2013</u>
Corporate earnings prior to Subchapter S elections	\$ [REDACTED]	[REDACTED]
Undistributed Subchapter S earnings reflected in income tax returns filed or to be filed for periods ended December 31, 2014 or prior	[REDACTED]	[REDACTED]
Undistributed Subchapter S losses not yet taxed due to timing differences in reporting certain transactions for financial accounting and income tax purposes	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]

(7) Reclassification

The Company's 2013 financial statements have been reclassified to conform with 2014 presentation.

PIERCE TELEPHONE COMPANY, INCORPORATED

Statistical Information

Years Ended December 31, 2014 and 2013

	2014		2013	
	Total	Amount per Station	Total	Amount per Station
Number of stations at end of year				
Operating revenues:				
Local service	\$			
Toll service and access charges				
Billing and collection				
Directory advertising and other				
Total operating revenues	\$			
Property and equipment	\$			
Less accumulated depreciation				
Net property and equipment	\$			
Total liabilities	\$			
Total stockholder's equity	\$			
Total operating expenses (excluding taxes)	\$			
Operating taxes (excluding income taxes)	\$			
Net operating loss	\$			
Fixed charges	\$			
Return on rate base				
Percentage of net losses to year-end stockholder's equity				
Ratio of liabilities to stockholder's equity				
Ratio of net operating loss to fixed charges				

REDACTED – FOR PUBLIC INSPECTION

Title 47 §54.313(a)(1) Progress Report

Due: July 1, 2015

Company Name: Pierce Telephone Company, Inc.

Company Headquarters: Pierce, NE

Narrative

Pursuant to FCC USF/ICC Transformation Order, rate of return carriers were required to file five year plans consistent with Title 47 Section 54.202(a)(1)(ii) in 2014 and are required to file annual progress reports thereafter consistent with Title 47 Section 54.313(a)(1). The PTC service areas are the exchanges of Pierce and Hoskins in Nebraska.

Maps

Detailed maps are included as progress towards plan goals was made to date in 2015.

Universal Service Support Received

For the year 2014, Pierce received the following Universal Service Support:

High Cost Loop Support	████████
Interstate Common Line Support	████████
CAF-ICC	████████

For year to-date (four months) 2015, Pierce has received the following Universal Service Support:

Interstate Common Line Support	████████
CAF-ICC	████████

Expenditures for the Provision, Maintenance, and Upgrading of Facilities and Services Supported by Federal Universal Service Funding:

Plant Specific Expense	████████
Plant Nonspecific Operations Expense	████████
Customer Operations Expense	████████
Corporate Operations Expense	████████
Other Operating Taxes	██████
Total Operating Expenses	████████
Capital Expenditures	██████
Total Expenditures	████████

How Universal Service Support Was Used to Improve Service Quality, Coverage, or Capacity

Title 47 §54.313(a)(1) Progress Report

Due: July 1, 2015

As Universal Service Funds are allocated dependent on past plant investment, the primary planned use of such funds is cost of money, capital recovery, income and property tax payments, and maintenance in support of this previously constructed plant.

This past investment included deployment of fiber-fed digital loop carrier equipment providing ADSL services over copper loops, bringing broadband service to [REDACTED] of the Pierce and Hoskins service areas.

These projects improved service quality by using improved DSL technology to deliver broadband services.

These projects improved service coverage by bringing broadband coverage to [REDACTED] of all services areas.

These projects improved service capacity by using improved DSL technology to deliver higher capacity broadband services.

In addition to past investments in broadband plant, PTC is also currently in progress working toward the following specific improvements or upgrades to date in calendar year 2015 pursuant to the previously filed 5-year plan:

- Fiber-to-the-Premises deployment to targeted areas of the Pierce and Hoskins service areas.

These projects improved service quality by using improved fiber technology to deliver broadband services.

These projects improved service coverage by bringing higher quality broadband coverage to the improved services areas.

These projects improved service capacity by using improved fiber technology to deliver higher capacity broadband services.

For the amount of Universal Support Received stated above, please note that the dollars spent would apply to each of the categories so the sum of the categorized dollars could exceed the amount shown above. For example, one project may improve both service quality and coverage and therefore would be included in both categorizations. However, if one assumes that the capital expenditures proportion of total expenditures in 2014 was used to improve service coverage and service capacity and all other expenditures were used to improve service quality in 2014, then it is estimated that the following percentages applied to each of the following in 2014 and are expected to be reasonably comparable in 2015.

The amount of support used to improve service quality was [REDACTED] of the support amount received in 2014 and year to date 2015.

The amount of support used to improve service coverage was [REDACTED] of the support amount received in 2014 and year to date 2015.

Title 47 §54.313(a)(1) Progress Report

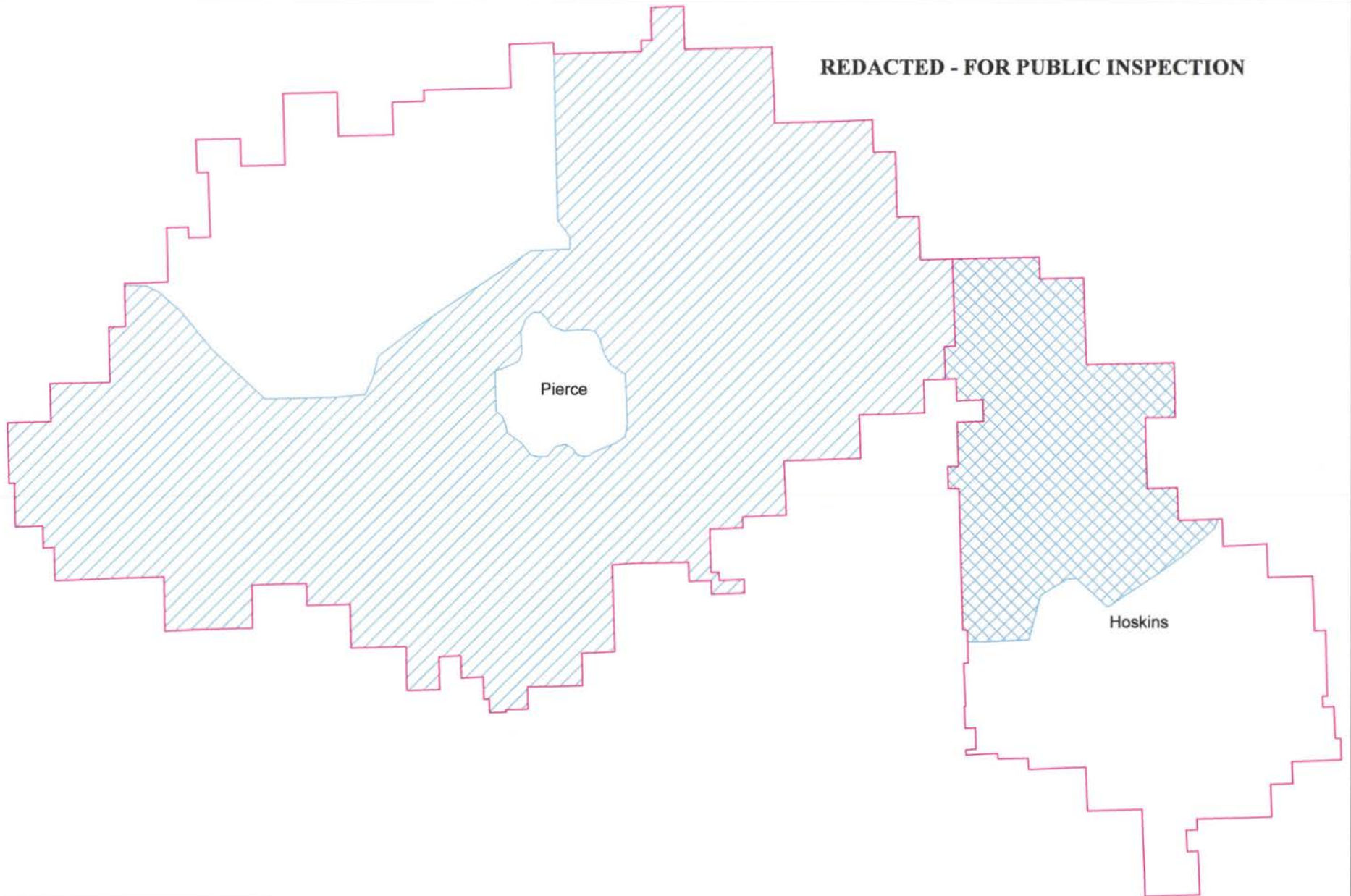
Due: July 1, 2015

The amount of support used to improve service capacity was [REDACTED] of the support amount received in 2014 and year to date 2015.

Explanation Regarding Any Network Improvement Targets Not Fulfilled in the Prior Calendar Year

This requirement is waived in this 2015 progress report as the prior calendar year, 2014, was not included in the 5-year plan and therefore had no associated network improvement targets.

REDACTED - FOR PUBLIC INSPECTION



PIERCE TELEPHONE COMPANY, INCORPORATED
NE 536

FIVE YEAR PLAN
PROGRESS REPORT

RVW, Inc.		COLUMBUS, NEBRASKA	
DRAWN	AJM	APPROVED	
CHECKED		DATE	6-18-10